

# MONTANA MEANS BUSINESS

Category	Qualifications	Current Rate	New Permanent Rate	Abatement Rate	Abatement Period
Plants for production of liquid fuels, synthetic gas and electricity	<i>Facilities and equipment of:</i> <ul style="list-style-type: none"> <li>► <b>Plants</b>—cellulosic and non-foodstuff ethanol; biodiesel; biomass gasification; coal gasification with carbon sequestration; coal-to-liquid (CTL) with carbon sequestration</li> </ul> <small>*All manufacturing machinery, fixtures, equipment, and tools used for the production of ethanol from grain is exempt from property taxation, during the course of the construction of an ethanol manufacturing facility and for 15 years after completion of construction of the manufacturing facility.</small>	3%	3%	1½%	15-19 Years†
	<ul style="list-style-type: none"> <li>► <b>IGCC, NGCC and geothermal</b>—as “power plants” these would be 6% under current law, will be at a permanent 3% under this law</li> </ul> <small>*An abatement to 1½% for 15-19 years will apply only to the IGCC with carbon sequestration of at least 65% with 7 year window for permit application and NGCC with carbon offset.)</small>	6%	3%	*	*
Renewable energy manufacturing	<i>Manufacturing plant and equipment related to:</i> <ul style="list-style-type: none"> <li>► Wind; solar; geothermal power; clean bio-mass</li> <li>► Electrical or hybrid/electrical automobiles/trucks and fuel cells</li> </ul>	3%	3%	1½%	15-19 Years†
Research and development	<i>Equipment only:</i> <ul style="list-style-type: none"> <li>► Solar; wind; geothermal; clean biomass; fuel cells; electrical or hybrid/electrical automobiles/trucks; clean/advanced coal</li> </ul>	3%	3%	1½%	15 Years†
Transmission lines for eligible power	<i>Power lines for carrying power from wind, clean biomass, geothermal, NGCC or IGCC power with carbon sequestration:</i> <ul style="list-style-type: none"> <li>► Electrical tie lines from power generation site to main transmission lines</li> <li>► Alternating Current (AC) Transmission Lines</li> <li>► High Voltage Direct Current (HVDC) lines &amp; 2-grid conversion stations‡</li> </ul>	12%	3%	1½%	15-19 Years†
Pipelines: CO2 capture and sequestration equipment	<i>Pipelines and equipment for carrying CO2 from a plant to a sequestration or Enhanced Oil Recovery site (as well as the sequestration equipment)</i>	12%	3%	1½%	15-19 Years†
	<i>CO2 capture equipment to retrofit an existing pulverized coal power plant</i>	6%	3%	1½%	
Liquid pipelines	<i>Dedicated pipelines for ethanol, biodiesel and liquid fuel from clean coal technology with carbon sequestration where appropriate</i>	12%	3%	1½%	15-19 Years†
Land under transmission lines	<i>Agricultural land under transmission lines—660’ each side of center</i>	3.07%	exempt		

Must be a clean product with new investment, prevailing wage in construction, carbon sequestration when needed.

† Abatement period of first 15 years of operation plus construction period of up to 4 years. ‡ 2-grid converter station only at rate of 2.25% with abatement at 1.125% for 15-19 years.



## Need another reason to invest in Big Sky Country?

Montana's new “Clean and Green” energy development incentives just sweetened the deal!



# Energy Incentives & Programs

	MCA Citation	Topic
Tax Incentives	15-6-157	Reduced tax on wind generation, biodiesel and renewable energy facilities
	15-6-158	Reduced tax on carbon sequestration equipment and property
	15-6-159	Reduced tax on high-voltage direct-current converter stations
	15-6-220	Ethanol production and canola seed oil processing
	15-6-224	Property tax exemption for buildings using renewable energy
	15-6-225	Property tax exemption for renewable generating facilities producing under 1 MW
	15-6-229	Exemption for land adjacent to transmission line right-of-way easement
	15-24-1401	Property tax reduction for renewable generating facilities producing 1 MW or more
	15-24-1402	Tax reduction for alternative energy generation
	15-30-164	Alternative fuel credit for converting a vehicle to use alternative fuel
	15-31-124	New or expanded industry tax credit
	15-32-103	Energy conservation deduction
	15-32-115	Personal income tax credits for residential geothermal system
	15-32-201	Tax credits for installation of non-fossil forms of generation
	15-32-401	Alternative energy systems commercial or net metering system investment credit
	15-32-603	Credit for property used to collect, process or manufacture reclaimed material <i>(ends Dec. 31, 2011)</i>
	15-32-610	Recycled materials deduction for businesses <i>(ends Dec. 31, 2011)</i>
	15-32-701	Credit for property used for crushing oilseed crops to produce biodiesel
	15-32-702	Biodiesel or biolubricant production facility tax credit
	15-32-703	Biodiesel blending and storage tank credit
	15-70-204	Reduction in motor fuel tax on ethanol-blended gasoline
	15-70-369	Refund for taxes paid on biodiesel by distributor
	15-70-522	Tax incentive for production of ethanol
	15-70-601	Biodiesel production incentive for increases in annual production the first 3 years of production
	15-72-104	Exemption from wholesale energy transaction tax
Loans	75-25-101	Alternative energy revolving loan program
	80-12-201	Montana beginning farm and ranch loan program, used for production of alternative renewable energy
Financial Incentives	90-5-101	Local government revenue bonds
	85-1-601	Renewable resource grant and loan program
	90-3-1003	Grants for renewable research and development
Utilities Programs	69-8-210	Electricity cost recovery
	69-8-402	Universal system benefits program

Other general business assistance programs are available through the Montana Department of Commerce.

For more information:

Montana Department of Commerce, Energy Promotion and Development Division  
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